

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;  
Mark Acton, Vice Chairman;  
Robert Taub

Competitive Product Prices  
Global Expedited Package Services 3 (MC2010-28)  
Negotiated Service Agreement

Docket No. CP2015-2

PUBLIC REPRESENTATIVE COMMENTS ON  
NOTICE AND ORDER CONCERNING ADDITIONAL  
GLOBAL EXPEDITED PACKAGE SERVICES 3  
NEGOTIATED SERVICE AGREEMENT

(October 21, 2014)

**Introduction**

In response to Order No. 2214<sup>1</sup>, the Public Representative hereby comments on the Notice of United States Postal Service of Filing a Functionally Equivalent Global Expedited Package Services (GEPS) 3 Negotiated Service Agreement (Notice).<sup>2</sup>

The Postal Service's Notice stipulates that this NSA is consistent with the policies of 39 U.S.C. 3633 and 39 C.F.R. 3015.5. *Notice at 1.* Further, the Notice demonstrates that the agreement is functionally equivalent to the contract that is subject of Docket No. CP2010-71. *Id.* This contract serves as the baseline agreement detailed in Governors' Decision No. 08-7.<sup>3</sup> The Postal Service states that its contract is "substantially similar to

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<sup>1</sup> Notice and Order Concerning Additional Global Expedited Package Services 3 Negotiated Service Agreement. Order 2214. Postal Regulatory Commission. October 14, 2014.

<sup>2</sup> Notice of United States Postal Service of Filing a Functionally Equivalent Global Expedited Package Services 3 negotiated Service Agreement and Application for Non-Public Treatment of Materials Filed Under Seal, October 10, 2014.

<sup>3</sup> The Governors established a pricing formula and classification that ensures each GEPS contract meets the criteria of 39 U.S.C. 3633 and the regulations promulgated thereunder. Therefore, the costs of each contract conform to a

the contract filed in Docket No. CP2010-71.” *Notice at 3.* Therefore, the Postal Service claims “that the contract is functionally equivalent to the contract that is subject of CP2010-71 and should be added to the competitive product list as a GEPS 3 contract.” *Id 3-4.* The Notice mentions, however, differences between the contract and the baseline contract, which include name and address of customer, revision of paragraphs, revisions of articles, and revision of Annex 1. *Id at 4-7.*

### **Concluding Remarks**

The GEPS NSA model provides incentives for a mailer sending large volumes of EMI and/or PMI to foreign addressees. During the one-year term of this agreement, the contract’s pricing reflect appropriate coverage in costs and comports with the template in Governors’ Decision 08-7, which established the GEPS product.

The Public Representative, after accessing, reviewing, and comparing materials the United States Postal Service submitted under seal in this matter and the corresponding baseline agreement, acknowledges that the contract appears able to generate sufficient revenue to cover attributable costs. In addition, the pricing incentives found in the present GEPS 3 contract align with the relevant provisions of title 39 and seem favorable to the Postal Service, NSA Partner, and general public.

The Public Representative respectfully submits the preceding comments for the Commission’s consideration.

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common description. In addition, the GEPS language proposed for the MCS requires that each GEPS contract must cover its attributable costs.